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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/042,371	12/27/2001	Andrew C. Gilbert	CF-46	6761
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FISH & NEAVE IP GROUP ROPES & GRAY LLP 1251 AVENUE OF THE AMERICAS FL C3 NEW YORK, NY 10020-1105			EXAMINER ONYEZIA, CHUKS N	
			ART UNIT 3692	PAPER NUMBER

DATE MAILED: 11/09/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/042,371

Applicant(s)

GILBERT ET AL.

Examiner

Chuks Onyezia Esq.

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-47 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-47 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 27 December 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date 20030327 and 20031106.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: ____.

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DETAILED ACTION

Response to Amendment

1. In the preliminary amendment filed 1/28/2003, the following has occurred: claims 12-17 have been replaced with amended claim set 12-17. Also, examiner notes that applicant has requested the addition of claims 30-47. Now, claim set 1-47 are presented and have been considered for examination.

Claim Rejections - 35 USC § 102

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

2. Claims 1-47 are rejected under 35 U.S.C., 102(e) as being anticipated by PRITCHARD, U.S. Patent Application Publication No. 2002/0046154 A1 (Reference A on attached PTO-892).

3. Pritchard's claim for the benefit of the Provisional Application No. 60/228,142 and an effective filing date of August 25, 2000 is noted. Examiner also notes the following:

a. Application No. 60/228,142 teaches all the elements and limitations of claims 1-3, 8, 10-11, 19-22, and 29, of the present application. Application No. 60/228,142 does

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not teach the elements and limitations of claims 4-7, 9, 12-18, 23-28, and 30-47, of the present application.

b. For the above reasons claims 1-3, 8, 10-11, 19-22, and 29, of the present application, are rejected under PRITCHARD with August 25, 2000 being its effective date of filing; and

c. claims 4-7, 9, 12-18, 23-28, and 30-47, of the present application, are rejected under PRITCHARD with August 10, 2001 being its effective date of filing

4. As per claim 1, PRITCHARD teaches a method for creating a dynamic security comprising:

d. selecting a plurality of securities from a list of securities to form a selected plurality of securities (PRITCHARD Paragraph [0054], Selection of investment instruments may occur next at step 204. The selection may be based in whole or in part upon the risk/return preferences of an investor); and

e. forming a dynamic security from the selected plurality of securities (PRITCHARD Paragraph [0056], an investment trust may be created which may be composed of the selected investment instruments).

5. As per claim 2, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities

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comprising selecting from a list including fixed income securities (PRITCHARD Paragraph [0066], the trust may contain at least a combination of an equity element, i.e. a common stock, combined with a fixed or variable return element, such as sets of coupon strips from a 30 year U.S. Treasury bond)

6. As per claim 3, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including stocks (PRITCHARD Paragraph [0045], Investment instruments may be any stock, bond, security, debt instrument, exchange traded fund (ETF), mutual fund, currency, commodity, equity investment, futures investment, dividend-paying investment, investment trust or any other suitable asset or investment)

7. As per claim 4, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including a futures contract (PRITCHARD Paragraph [0045], Investment instruments may be any . . . futures)

8. As per claim 5, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including an options contract (PRITCHARD Paragraph [0045], Investment instruments may be any . . . exchange traded fund (ETF); examiner notes that options

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contracts are well know exchange traded funds, i.e. the London International Financial Futures and Options Exchange, See Penguin Business Dictionary 1994, Reference V on attached PTO-892)

9. As per claim 6, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list a real property lease (PRITCHARD Paragraph [0067], Other investments could also be used such as leases on real property, art, collectibles, futures contracts on revenues of a business, etc)

10. As per claim 7, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including a collectible (PRITCHARD Paragraph [0067], Other investments could also be used such . . . collectibles)

11. As per claim 8, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including a security (PRITCHARD Paragraph [0045], Investment instruments may be any . . . security)

12. As per claim 9, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches selecting a plurality of securities comprising selecting from a list including a non-securitized

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instrument (PRITCHARD Paragraph [0067], Other investments could also be used such as . . . art, collectibles);

13. As per claim 10, PRITCHARD teaches the method of claim 1.

PRITCHARD further teaches trading the dynamic security

(PRITCHARD Paragraph [0015], Because the investment trusts may be traded as single securities, investors may gain exposure to many different markets with a single trust security)

14. As per claim 11, PRITCHARD teaches the method of claim 1.

PRITCHARD further teaches trading at least one of the selected plurality of securities separate from the dynamic security

(PRITCHARD Paragraph [0016], The value of the trust may be redeemed by receiving underlying instruments in the trust, or by receiving cash upon selling the underlying individual investment instruments, the trust itself, or by reaching a settlement value)

15. As per claim 12, PRITCHARD teaches the method of claim 1.

PRITCHARD further teaches monitoring a rate of return of the dynamic security (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment

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instruments, on the present and expected return of the investment and other information)

16. As per claim 13, PRITCHARD teaches the method of claim 12. PRITCHARD further teaches comparing the rate of return to a pre-determined target rate of return (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

17. As per claim 14, PRITCHARD teaches the method of claim 13. PRITCHARD further teaches providing a notification when the rate of return deviates at a pre-determined ratio from the target rate of return (PRITCHARD Paragraph [0018], generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

18. As per claim 15, PRITCHARD teaches the method of claim 1. PRITCHARD further teaches monitoring a rate of return of each of the selected plurality of securities (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the

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trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

19. As per claim 16, PRITCHARD teaches the method of claim 15. PRITCHARD further teaches the rate of return of each of the selected securities to a pre-determined target rate of return (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

20. As per claim 17, PRITCHARD teaches the method of claim 16. PRITCHARD further teaches providing a notification when the value of a selected one of each of the selected plurality of securities deviates at a pre-determined ratio from the target rate of return (PRITCHARD Paragraph [0017], The financial management system may provide a real-time update of all the instruments which comprise the investment trust, and may supervise, analyze and periodically report on the investment activities associated with the trust)

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21. As per claim 18, PRITCHARD teaches the method of claim 15.. PRITCHARD further teaches implementing the method in an electronic trading platform (PRITCHARD Paragraph [0038], system may include financial data processing system, user device, communications links, and computer network)

22. As per claim 19, PRITCHARD teaches a system for creating a dynamic security comprising:

f. means for selecting a plurality of securities from a list of securities (PRITCHARD Paragraph [0046], Selection processor may be utilized to select investment instruments to become the basis of an investment trust); and

g. means for forming a dynamic security from the selected plurality of securities (PRITCHARD Paragraph [0045], Investment trust creation processor may be utilized to form an investment trust that may be capable of being traded on an exchange, as well as redeemed at a particular time or any time, from selected investment instruments)

23. As per claim 20, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches the means for selecting a plurality of securities comprises a means for selecting from a list including a fixed income securities, stocks, bonds, futures or options (PRITCHARD Paragraph [0045], Investment instruments may be any stock, bond, security, debt instrument, exchange traded fund

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(ETF), mutual fund, currency, commodity, equity investment, futures investment, dividend-paying investment, investment trust or any other suitable asset or investment)

24. As per claim 21, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches means for trading the dynamic security (PRITCHARD Paragraph [0045], Investment trust creation processor may be utilized to form an investment trust that may be capable of being traded on an exchange)

25. As per claim 22, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches means for trading at least one of the selected plurality of securities separate from the dynamic security (PRITCHARD Paragraph [0016], The value of the trust may be redeemed by receiving underlying instruments in the trust, or by receiving cash upon selling the underlying individual investment instruments, the trust itself, or by reaching a settlement value)

26. As per claim 23, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches means for monitoring a rate of return of the dynamic security (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying

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investment instruments, on the present and expected return of the investment and other information)

27. As per claim 24, PRITCHARD teaches the system of claim 23. PRITCHARD further teaches means for comparing the rate of return to a pre-determined target rate of return (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

28. As per claim 25, PRITCHARD teaches the system of claim 24. PRITCHARD further teaches means for providing a notification when the rate of return deviates at a pre-determined ratio from the target rate of return (PRITCHARD Paragraph [0018], generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

29. As per claim 26, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches means for monitoring a rate of return of each of the selected plurality of securities (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments

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of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

30. As per claim 27, PRITCHARD teaches the system of claim 26. PRITCHARD further teaches means for comparing the rate of return to a pre-determined target rate of return (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

31. As per claim 28, PRITCHARD teaches the system of claim 27. PRITCHARD further teaches means for providing a notification when the value of a selected one of each of the selected plurality of securities deviates at a pre-determined ratio from the target rate of return (PRITCHARD Paragraph [0017], The financial management system may provide a real-time update of all the instruments which comprise the investment trust, and may supervise, analyze and periodically report on the investment activities associated with the trust)

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32. As per claim 29, PRITCHARD teaches the system of claim 19. PRITCHARD further teaches means for implementing the system in an electronic trading platform (PRITCHARD Paragraph [0038], system may include financial data processing system, user device, communications links, and computer network)

33. As per claim 30, PRITCHARD teaches a system for creating a dynamic security, the system comprising:

h. a storage device, the storage device storing: a program for controlling the processor, a list of securities (PRITCHARD Paragraph [0049], Database of investment instruments may contain records of all available investment instruments that may be selected from in the creation of an investment trust and which may or may not have been already purchased on the relevant market);

i. a processor connected to the storage device, the processor operative with the program to: select a plurality of securities from a list of securities to form a selected plurality of securities (PRITCHARD Paragraph [0046], Selection processor may be utilized to select investment instruments to become the basis of an investment trust); and

j. form a dynamic security from the selected plurality of securities (PRITCHARD Paragraph [0045], Investment trust

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creation processor may be utilized to form an investment trust that may be capable of being traded on an exchange, as well as redeemed at a particular time or any time, from selected investment instruments)

34. As per claim 31, PRITCHARD teaches the system of claim 30. PRITCHARD further teaches the list of securities comprises a list of securities including fixed income securities (PRITCHARD Paragraph [0066], the trust may contain at least a combination of an equity element, i.e. a common stock, combined with a fixed or variable return element, such as sets of coupon strips from a 30 year U.S. Treasury bond)

35. As per claim 32, PRITCHARD teaches the system of claim 30. PRITCHARD further teaches the list of securities comprises a list of securities including stocks (PRITCHARD Paragraph [0045], Investment instruments may be any stock, bond, security, debt instrument, exchange traded fund (ETF), mutual fund, currency, commodity, equity investment, futures investment, dividend-paying investment, investment trust or any other suitable asset or investment)

36. As per claim 33, PRITCHARD teaches the system of claim 30. PRITCHARD further teaches the list of securities comprises a list of securities including a futures contract (PRITCHARD

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Paragraph [0045], Investment instruments may be any . . .
futures)

37. As per claim 34, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the list of securities comprises a
list of securities including an options contract (PRITCHARD
Paragraph [0045], Investment instruments may be any . . .
exchange traded fund (ETF); examiner notes that options
contracts are well know exchange traded funds, i.e. the London
International Financial Futures and Options Exchange, See
Penguin Business Dictionary 1994, Reference V on attached PTO-
892)

38. As per claim 35, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the list of securities comprises a
list of securities including a real property lease (PRITCHARD
Paragraph [0067], Other investments could also be used such . .
. collectibles)

39. As per claim 36, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the list of securities comprises a
list of securities including a collectible (PRITCHARD Paragraph
[0067], Other investments could also be used such . . .
collectibles)

40. As per claim 37, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the list of securities comprises a list

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of securities including a security (PRITCHARD Paragraph [0045],
Investment instruments may be any . . . security)

41. As per claim 38, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the list of securities comprises a
list of securities including a nonsecuritized instrument
(PRITCHARD Paragraph [0067], Other investments could also be
used such as . . . art, collectibles);

42. As per claim 39, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the system is further configured to
allow trading of the dynamic security (PRITCHARD Paragraph
[0016], The value of the trust may be redeemed by receiving
underlying instruments in the trust, or by receiving cash upon
selling the underlying individual investment instruments, the
trust itself, or by reaching a settlement value).

43. As per claim 40, PRITCHARD teaches the system of claim 30.
PRITCHARD further teaches the system is further configured to
allow trading of at least one of the selected plurality of
securities separately from the dynamic security (PRITCHARD
Paragraph [0016], The value of the trust may be redeemed by
receiving underlying instruments in the trust, or by receiving
cash upon selling the underlying individual investment
instruments, the trust itself, or by reaching a settlement
value)

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44. As per claim 41, PRITCHARD teaches the system of claim 30. PRITCHARD further teaches the system is further configured to allow monitoring of a rate of return of the dynamic security (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

45. As per claim 42, PRITCHARD teaches the system of claim 41. PRITCHARD further teaches the system is further configured to allow comparing of the rate of return to a pre-determined target rate of return (PRITCHARD Paragraph [0018], the financial data processing system may monitor the performance of the underlying investment instruments of the trust, as well as the trust itself, in order to generate reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

46. As per claim 43, PRITCHARD teaches the system of claim 42. PRITCHARD further teaches the system is further configured to allow providing a notification when the rate of return deviates

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at a pre-determined ratio from the target rate of return
(PRITCHARD Paragraph [0018], generate reports to investors
and/or brokers on the value of the trust and its underlying
investment instruments, on the present and expected return of
the investment and other information)

47. As per claim 44, PRITCHARD teaches the system of claim 30.

PRITCHARD further teaches the system is further configured to
allow monitoring of a rate of return of each of the selected
plurality of securities. (PRITCHARD Paragraph [0018], the
financial data processing system may monitor the performance of
the underlying investment instruments of the trust, as well as
the trust itself, in order to generate reports to investors
and/or brokers on the value of the trust and its underlying
investment instruments, on the present and expected return of
the investment and other information)

48. As per claim 45, PRITCHARD teaches the system of claim 44.

PRITCHARD further teaches the system is further configured to
allow comparing of the rate of return of each of the selected
securities to a predetermined target rate of return (PRITCHARD
Paragraph [0018], the financial data processing system may
monitor the performance of the underlying investment instruments
of the trust, as well as the trust itself, in order to generate

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reports to investors and/or brokers on the value of the trust and its underlying investment instruments, on the present and expected return of the investment and other information)

49. As per claim 46, PRITCHARD teaches the system of claim 45. PRITCHARD further teaches the system is further configured to allow providing a notification when the value of a selected one of each of the selected plurality of securities deviates at a pre-determined ratio from the target rate of return (PRITCHARD Paragraph [0017], The financial management system may provide a real-time update of all the instruments which comprise the investment trust, and may supervise, analyze and periodically report on the investment activities associated with the trust)

50. As per claim 47, PRITCHARD teaches the system of claim 44. PRITCHARD further teaches the system is further configured to allow implementing the system in an electronic trading platform (PRITCHARD Paragraph [0038], system may include financial data processing system, user device, communications links, and computer network)

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Conclusion

51. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Examiner notes the definition of securitization (see Collins Dictionary of Business, 1995, reference U on attached PTO-892) to construct a definition of a non-securitized instrument.

52. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Chuks Onyezia Esq. whose telephone number is 571-270-1372. The examiner can normally be reached on first Friday off.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Patrick Nolan can be reached on 571-272-0847. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

**PATRICK J. NOLAN, PH.D.
SUPERVISORY PATENT EXAMINER**

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C. Onyezia 10/31/2006


PATRICK J. NOLAN, PH.D.
SUPERVISORY PATENT EXAMINER

11/6/06